



TOWN OF BERWYN HEIGHTS

Prince George's County, Maryland

Incorporated in 1896 ~ Sixth Oldest Municipality in PG County

WORKSESSION MINUTES MARCH 4, 2013

The meeting was called to order at 7:13 p.m. Present were Mayor Calvo, Mayor Pro Tem (MPT) Wilkinson, Councilmembers (CMs) Almoguera, Dennison and Eddy. Also present was Clerk Harper and Budget Assistant Kyle Snyder. Town Administrator (TA) Murphy participated via Skype.

1. MAYOR

Announcements: Sarah & Christopher Dennison are celebrating her 27th birthday today. This Sunday begins daylight savings time. Clocks should be set one forward. MPT Wilkinson will start a new job as Vice President of the National Foreign Trade Council.

Calendar: The date for the Berwyn Heights Elementary School Talent Show was added for April 19th, 7 p.m. An April 29th budget worksession was marked ten and may be canceled.

Minutes: On a motion by MPT Wilkinson and second by CM Kulpa-Eddy, the February 19 worksession minutes were approved 5 to 0. The February 13 Town minutes were distributed for review.

Department reports: Mayor Calvo reported that the Town signed a joint Four Cities Coalition letter and sent a separate individual letter supporting the relocation of the FBI headquarters to Greenbelt Station. The Town also signed onto a Four Cities Coalition letter opposing staff cuts at the Branchville Volunteer Fire Department. Corporal Bennett will be retiring from the Berwyn Heights Police Department and will say goodbye at the March 13 Town meeting. Her departure will create a vacancy. The Council may opt not to fill in the upcoming budget. Mayor Calvo last week testified on a bill, sponsored by Delegate Kris Valderrama and Senator Jennie Fore to repeal the sunset of 2007 SWAT team legislation that requires police to report on and track the deployment of SWAT teams. Statistics show that, over the years, there were 4,850 deployments of SWAT teams in Maryland, with Prince George's County leading the count.

CM Dennison announced that the annual Talent Show will be held on April 19 at BHES, with a dress rehearsal taking place on the evening prior. MPT Wilkinson reported that the Public Works Department is preparing for a snow storm. CM Kulpa-Eddy said that the Emergency Preparedness Committee is getting ready for a CERT training workshop this weekend. However, she will have to miss part of it to testify on a hearing for a bond bill that funds emergency generators at the Town Center.

Citizen comments: Mayor Calvo said the Council received an email from a resident who urged the Town to support the FBI headquarters relocation and not to debt to obtain emergency generators. The resident was under the misconception that the bond bill is a form of borrowing funds. A resident informed Mayor Calvo that the Acting Director of the Department of Environmental Resources, Adam Ortiz, is bringing together groups concerned with animal welfare to get their input improving the operation of the County's animal shelter. MPT Wilkinson received an inquiry about recycling light bulbs. He replied that compact fluorescent bulbs can be taken to Best Buy, which has a designated container in their store.

Town Administrator's proposed budget: TA Murphy presented the proposed FY 2014 budget. He said that the focus of this budget is on how to make up for a loss of \$231,000 or 16% in real property tax revenues due to the decline in assessments. A large part of the loss is made up by an increase in income tax receipts, which are proposed to go up from \$285,000 this year to \$345,000 next year. This reflects an increase in actual income tax revenues the Town received in the last two years. In FY 2012, actual receipts came in at \$367,500 and in FY 2013, the Town expects to receive \$378,000, or \$92,000 more than the budgeted amount. However, the FY 2014 budget has a more conservative figure of \$345,000 to account for a dampening effect of the sequester in the federal budget. The combined increase in income tax receipts and the decrease in property tax receipts produce a less drastic decline in overall tax revenues of 8%.

Revenues other than taxes are budgeted as follows:

- + \$5,300 (4%) in licenses & permits. This is due mostly to a \$6,000 increase in receipts from rental licenses. Receipts from building permits are also projected to increase by \$1,000.
- + \$53,000 (80%) in intergovernmental receipts. State police aid is up by \$20,000 from last year, for a budgeted amount of \$51,700. Highway User Revenue (HUR) are up by \$33,000, for a budgeted amount of \$59,700.
- + \$2,000 (4%) in fines & forfeitures. Most of the increase would come from code fines, where the department is instituting a new policy to increase fine amounts for repeat violations. It is hoped that this will result in better compliance. Police fines are budgeted to come in at \$36,000, the same amount as last year, despite a projected shortfall in the actual receipts this year.
- - \$2,200 (3%) in miscellaneous receipts. Police fingerprinting and reports are down by \$2,000 and Cable TV franchise fees by \$1,000. Interest earnings on cash have gone up, however, since the Town switched its accounts to Old Line Bank and are proposed to increase by \$2,000.
- Overall revenues are budgeted to go down by \$126,500.

TA Murphy continued with an overview of proposed expenditures.

- 0% increase in *general government* expenditures of \$396,000. The Administration budget, which includes Bulletin publishing, audit, payroll processing, network support, is proposed to go down by \$500 to \$309,500. Municipal building expenditures were cut by \$800 to \$30,100, while Town Center expenditures were increased by \$200 to \$33,100. The driver of the building budgets is maintenance and repair, of which regular mandated inspections make up a large portion.
- - \$58,800 (9%) in *Police Department* budget to \$579,000. The reduction is obtained by not filling an upcoming police officer vacancy (private pay grant). Additional savings of \$12,400 are achieved from cuts in the gas & oil, capital outlays >500, supplies, uniforms, communications, and network support appropriations.
- - \$9,300 (8%) in *Code Department* budget to \$106,000. The reduction is obtained from cutting the part-time clerk position from 15 to 10 hours/week, and part-time officers hours from 20 to 10 hours/week. Additional savings of \$5,000 come from a \$2,500 cut in the postage appropriation proposed by the Director, and several minor cuts in other line items.
- - \$64,500 (9%) in *Public Works Department* budget to \$635,100. The main cut of \$63,800 is in the salaries line item, where the current director of operations' administrative assistant positions are left vacant. Their responsibilities are carried out by the current director of operations. The budget adds money for sealing in the equipment and supplies line item, although not as much as proposed by the acting director. The temporary help appropriation was budgeted at \$12,400 for hiring additional laborers during the leaf collection season and crack sealing periods. The budget phases out all line items related to the recycling program, except recycling supplies, as requested by the Council.
- - \$3,100 (11%) in *Parks & Recreation Department* budget to \$25,000. The reduction is obtained from cutting \$5,000 from the Pop's Park equipment appropriation in the expectation that a state grant will be awarded for a wholesale renovation of the playground. An increase of \$1,000 was made in the Pop's Park supply appropriation to pay for mulch, and \$700 was added to the concession stand line item to pay for repairs.

- -1% reduction has been budgeted in the Cable budget.
- - \$2,800 (1%) in the *Miscellaneous* budget to \$376,000. Insurance costs have declined by \$1,600 due to a decline in unemployment compensation and liability expenditures. Health insurance costs have been budgeted for a modest increase of \$2,700 (2%) to \$115,400 overall. While health insurance costs the current plan would go up by 10.7%, an alternate lower rate of 3.9% can be secured if deductibles for employees are increased. Employee benefit overall will remain at last year's level due to a decrease of \$2,800 in pension contributions. The decline would have been greater with the 2 vacancies, State of Maryland had not imposed a quarterly administrative fee of \$800 and raised pension contributions to 10%.
- + \$13,000 (6%) in *Capital Expenditures* to \$242,200. The increase is due largely to a \$23,300 increase in Highway User Revenues (HUR), which are placed in the Town's infrastructure reserve. However, there is a \$12,300 offset due to a decline in receipts from the road tax. The expense for a new police car has increased by \$2,000 to \$33,900. Transfers from surplus into the vehicle replacement have ended as all Public Works vehicles are now in the budget.

Mayor Calvo said that TA Murphy was able to balance the budget because of severe spending cuts without increases in the tax rate or transfers from surplus. The new service proposed is a crack-sealing program to extend the lifetime of Town streets. This budget is a worst case scenario. It can serve as a baseline from which the Council can opt to restore funding by raising taxes or using surplus. It is one of the main issues the Council will address during the budget discussions: services are deemed important enough to appropriate additional funds. Other important questions that will need to be answered are: 1) what is the financial situation likely to be over the next 3 years, and 2) what level of compensation should employees receive. He believes that the budget should not be balanced on the backs of employees and would like to consider re-instituting a Cost of Living Adjustment (COLA) in addition to the merit increases employees have continued to receive. Further, the Council will have to figure out how the new health care law impacts employees' health insurance benefits. Finally, the Council needs to decide what about the smaller accounts, such as whether to increase police and code fines or fund things important to community life.

At 8:20 p.m., the Council took a 5 minute break.

MPT Wilkinson commented he is glad that the Town was able to complete many of the building improvements this year, including new roofs, gutters and repairs to DPW lean-to and Town Center tower and staircase. He expressed concern that the income tax receipts may be too low and that there are insufficient funds for Street Park maintenance & repair, including for the batting cage and the picnic area. He thought that the Public Works Department could fit in 4 weeks of crack-sealing in 2 weeks in spring and 2 weeks in fall. In addition, the crew may need more cold patch to fix more pot holes in-house. TA Murphy said that repairing pot holes usually requires cutting a wider and deeper holes to remove loose material and putting in a base before applying the patch.

CM Kulpa-Eddy sought clarification on Public Works staffing. TA Murphy said that the administrative assistant position is vacant because Mr. Lockley was supervisor of operations. CM Almoguera proposed to increase the Playgroup appropriation by \$100 to \$250. Playgroup has grown to 75 families and would be a place to welcome new families in Town. The money would pay for the annual BBQ and for a possible dedication ceremony for the renovated playground.

Mayor Calvo said that there may be some one-time expenditures that require use of the surplus, among them the Town Administrator search, tree planting on Edmonston Road, and recycling supplies. He encouraged the Council to make a list of items that must be funded and a list of things that the Council wishes to fund.

Pepco Tree Trimming MOU: TA Murphy provided a draft Memorandum of Understanding to give Berwyn Heights more input on Pepco's tree trimming decisions based on an MOU Greenbelt has with Pepco but the Town may want to change some provisions, including: 1) whether the Town should require notification of Pepco 4-5 days for emergency work; 2) whether to give the Mayor authority to issue stop work orders, in addition to the Town Administrator; and 3) whether to delete the provision that gives Pepco the option to cancel the MOU upon 60 days notice. Additionally, the Council may want to require Pepco to obtain permits from the Town to submit detailed plans before undertaking tree work, as Greenbelt does.

Mayor Calvo said that Greenbelt's MOU works in conjunction with a city ordinance that requires permits for tree work. He thinks the permit requirement for tree work in the Town's right-of-way should be in an ordinance that applies to utilities generally rather than only to Pepco. While he likes some of the changes TA Murphy proposes, it would be difficult to negotiate those concessions. It would be easier to secure concessions already granted in Greenbelt's MOU. Regarding the stop work order, he thinks it is proper for the Town Administrator or another staff member to issue it. The Mayor could do so if the town administrator is not available. Simply extending the notification period from 60 to 90 days to cancel the MOU is pointless because the Town cannot stop Pepco from doing so; but the Town would not be under an obligation not to issue stop-work orders.

CM Kulpa-Eddy said that Pepco notified residents of the tree trimming work they did in the Town last summer, although the notification was not specific about location and was sent 3 months prior to their arrival. CM Almoguera said that Pepco should be asked to be more specific about when and where the work is performed so the Town can monitor what they are doing. Mayor Calvo said this can be accomplished through a permit, which would be valid for a certain period. Pepco should also be asked to present plans for major tree work to the Town Council. TA Murphy was asked to revise the MOU to include the Council's changes and seek to obtain Pepco's consent.

2. ADMINISTRATION

Bulletin cover: The following items were approved for the April Bulletin cover: Talent Show theme; announcements of Talent Show, introduction of FY 2014 budget and Berwyn Heights Day.

Emergency generators bond bill: TA Murphy said this Saturday the House and Senate of the Maryland General Assembly will hold a hearing on the bond bill that provides funding for the emergency generators at the Town Center and Town Administration building. It is helpful for Town councilmembers to appear before the committees and show support. The Town is requesting the State to contribute half of the estimated cost of \$160,000 to purchase and install the generators. The Town would pay the other half.

Mayor Calvo said that he plans to testify and asked TA Murphy to draft a written statement by Wednesday, which he will adapt to prepare a 3 minute testimony. It is important that he has the details on the equipment, installation requirements and costs so he can fully answer any questions. CM Kulpa-Eddy also plans to attend.

Nothing was discussed under **3. Code Compliance, 4. Parks & Recreation, 5. Public Safety, and 6. Public Works.**

The meeting was adjourned at 9:15 p.m.

Signed: Kerstin Harper, Town Clerk

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